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Approved For Release 2002/06/11: CIA-RDP79R00890A000200050026-2
NSC BRIEFING
30 March 1954

THE DEVELOPMENTS IN EGYPT

I. Current Status

- A. After month of feverish maneuvering, appear to be about where we began in two major aspects.
 - 1. Revolutionary Council in top position.
 - 2. Nagib a weakened figurehead apparently ill man.
- B. However, three new factors in situation:
 - 1. Political parties, especially Wafd and Moslem Brotherhood restored hopes.
 - 2. General rise of extremists and opportunists civil, military over-all loss of prestige by military.
 - 3. More popular frustration over postponement of civil popular frustration over postponement over postponement over postponement over postponement over postponement over postponement over popular frustration over postponement over popular frustration over postponement over popular frustration over popular frustration over popular frustration over postponement over popular frustration over postponement over popular frustration over popula

II. Prospects

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A. Until Nagib-Nasr struggle resolved no peace, no hope for any constructive business. No real reconciliation appears possible.

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- B. Nagib on decline physically and prestige-wise.
- C. Rise of Nasr poses a new problems of military dictatorship.

 Revolutionary Council not really popular.
- D. If Nas absolutely firms established in power, intelligence reports indicate he will make great effort to settle Suez issue.
- E. Absolute power also would restore control of terrorism and permit Britain to approach conference table.
- F. Latest British proposals, if presented with some give and take, could probably be accepted and sold to Egyptian peopel as unconditional evacuation.
- G. Only after that can approach be made to deep economic problems.